



To: Mayor and City Council
From: Julia A. Carroll, City Manager
Subject: Tax Levy Options
Date: January 25, 2008

PURPOSE

Many of you have expressed concerns regarding the proposed tax levy of 15.15%. I agree that it is not the best situation, but I know that you share my concern for the state of the pension funds and the need to continue to correct the structural problem within the budget and pension funds. We have made good progress in the General Fund and as I indicated last year this is the second year in a multi-year plan to correct the budget. The proposed budget began to address the pension fund problem. To that end, I have been working with staff to continue to review and revise the budget. We have prepared some options so as to reduce the proposed 15.15% tax levy. The purpose of this memo is to provide updated revenue estimates and present various options for reducing the proposed FY 2008-09 tax levy.

OVERVIEW

On the attached exhibits staff has prepared for your consideration a number of options which will reduce the property tax levy from the proposed 15.15% increase. Since the driving force behind the large property tax increase is the pension funding, our focus is on ways we can reduce the tax levy through a combination of new revenues and additional service/program cuts. Each option is explained in this memo. The criteria used by the staff to prepare these options was to limit the program and personnel reductions to non-essential services.

All four options assume that the proposed revenues already in the budget are adopted. The property tax levy for the General Fund will increase and/or additional service cuts will be necessary if the Council does not adopt the additional revenues in the base budget.

Option 1 - 12.39%

Revenues

- Additional revenues from personal property replacement tax based upon new figures provided by the State - \$500,000
- Additional revenues from Fire Alarms - \$30,000
- Additional Plan Review Revenue - \$37,000

Expenditures

- Combine the Emergency Preparedness Manager position with the Fire Division Chief position in the Fire Prevention Division, thus eliminating one position. This change would be implemented with the retirement of the current Emergency Preparedness Manager. The cost savings for this change is

\$117,000 for the first year, and \$156,000 in the second year. This change, however, requires the adding back of a previously deleted vacant Fire Plan Reviewer position at a cost of \$91,500 (including all benefits).

- The City will realize a decrease in health insurance costs because we have terminated the services of the broker. Not having to pay the fee of 3% of total premiums results in a savings of approximately \$300,000. Staff will procure health insurance services directly from the provider in the future.
- Eliminate the private security guards at the James Park Sled Hill – \$12,800 savings
- Eliminate overtime for heat call-outs – \$8,000 savings
- Reorganization of parking lot maintenance - \$50,000 savings

The effect on the 2008 police and fire tax levies for this option is a reduction of \$963,300 and a net tax levy increase of 12.39%.

Option 2 - 8.94%

Revenues

- **All of the revenue adjustments outlined in Option 1**
- Addition of a new revenue of \$200,000 from the yard waste sticker program recommended last year
- Use of \$1 million in fund balance to lower the cost of pensions

The General Fund balance in excess of reserves as of 2-28-07 was \$9,983,573, less 2007 use of fund balance in the amount of \$2,475,000 for Fire Station No. 5 and Animal Shelter capital improvements and the recommendation to use \$3,336,149 of General Fund balance to lower the 2007 police & fire pension levies, as discussed at the six month budget review, leaving a net available fund balance of \$4,172,424. The use of fund balance is recommended as a one-time source to fund the remainder of the 2007 annual required contribution (ARC) for the pensions. I recommend this because I believed that during the 2007 triennial assessment year, a \$3.3 million dollar increase to the tax levy after the budget had been adopted in February 2007 would be unacceptable to the City Council.

The city's budget policy directs the use of excess fund balance to go to CIP projects after first funding all reserves. The negative to using \$1 million of fund balance to lower the 2008 pension levies is that we will be facing a larger tax increase in 2009 unless we continue to have excess fund balances, or you adopt a *dedicated revenue source* that will fund the expected tax increases for pensions.

Regarding expenditure adjustments, **all of the expenditure adjustments identified in Option 1 are included**, with no new adjustments added.

The effect on the 2008 police and fire tax levies for this option is a reduction of \$2,163,300, and a net tax levy increase of 8.94%.

Option 3 - 4.05%

Revenues

- **All revenue adjustments outlined in Option 2**

- Food & Beverage tax **dedicated solely to funding the police and fire pensions** - \$500,000

Expenditures

- **All expenditure adjustments outlined in Option 2**
- Reduce Mental Health Spending by 25%, which is \$214,750. While I know that the agencies served by this funding do important work in the city, for all but four agencies, a 25% cut in their funding would result in a less than 10% reduction to the overall budget of the agencies (see Exhibit A). For those agencies that are more dependent upon the city for funding, a lesser cut could be made, but it would have to be made up by cuts to other services.
- Close the Branch Libraries, which is a savings of \$284,700. While I realize that the City Council has twice rejected previous recommendations to close the branch libraries, library services can still be provided if the branches are closed. We would also recommend that a portion of the annual savings be returned to the Library budget to accommodate the increase of usage at the downtown Library.

There are other service reductions included in this option and the details for them are shown on the attached sheet for Option 3. These are the recommended service cuts which still allow most all of the core services in the city to be provided, and these cuts do not impact most of the services that are provided to the lower income residents.

The effect on the 2008 police and fire tax levies for this option is a reduction of \$3,866,350, and a net tax levy increase of 4.05%.

Option 4 % - 3.19%

Option 4 results in a dollar increase in the total tax levy of 3.19%. This option **includes all of the revenue adjustments in Option 3** with the following exceptions:

- Real Estate Transfer Tax referendum passes and the increase is dedicated solely to pension funding – \$800,000 added
- The food and beverage tax is not adopted - \$500,000 reduced

The effect on the 2008 police and fire tax levies for this option is a reduction of \$4,166,350.

RECOMMENDATION

My recommendation is that the City Council consider these options and reach consensus on a tax levy increase which takes into consideration the fact that future years will require an increase in taxes to fund the police and fire pensions.

I believe that some tax levy alternative between options 2 & 3 would best suit the long-term needs of the citizens without having a big effect on the health and social services provided by the city. For example, I do not recommend the elimination of the Children's Dental Program or the Commission on Aging. However, those services are included on the list of possible cuts because the final decision regarding service cuts rests with the City Council, and depends upon the services you believe your constituents value the most.

EXHIBIT A: Mental Health Board Proposed 08-09 Funding Allocations with Impact of Proposed 25% Reduction

Agency / Program	Proposed 08-09 Program Budget	MHB 08-09 Proposed Allocations		Allocations at Proposed 25% Reduction	
		Program Funding	% of Program Funded by MHB	Revised Program Funding	% of Program Funded by MHB
Center for Indpdnnt Futures / Full Life Model High School Outreach	\$20,000	\$10,000	50.0%	\$2,500	12.5%
Child Care Center of Evanston / Home Day Care	\$836,398	\$18,500	2.2%	\$4,625	0.6%
Childcare Network Evanston / City Wide Scholarships	\$106,700	\$101,800	95.4%	\$25,450	23.9%
Childcare Network Evanston / Learning Together	\$178,600	\$30,200	16.9%	\$7,550	4.2%
Connections / Entry Point	\$201,688	\$28,000	13.9%	\$7,000	3.5%
Evanston Community Defender / Legal Services	\$201,828	\$33,000	16.4%	\$8,250	4.1%
Evanston Community Defender / Social Work Services	\$141,082	\$3,000	2.1%	\$750	0.5%
Family Focus / Pregnant and Parenting Teen	\$96,600	\$17,200	17.8%	\$4,300	4.5%
Family Focus / Primary Prevention	\$413,100	\$25,500	6.2%	\$6,375	1.5%
Housing Options / Residential Services	\$210,800	\$11,800	5.6%	\$2,950	1.4%
Housing Options / SHIP	\$166,410	\$14,000	8.4%	\$3,500	2.1%
Infant Welfare Society of Evanston / Teen Baby Nursery (Note 1)	\$392,215	\$81,000	20.7%	\$20,250	5.2%
LAFMC / Evanston Legal Services	\$617,729	\$36,400	5.9%	\$9,100	1.5%
Metropolitan Family Services / Family Support and Prevention	\$115,141	\$88,200	76.6%	\$22,050	19.2%
Metropolitan Family Services / General Counseling	\$302,789	\$8,800	2.9%	\$2,200	0.7%
NSSC / Evanston/Skokie Valley Senior Services	\$1,694,300	\$40,000	2.4%	\$10,000	0.6%
PEER Services / Adolescent Treatment	\$373,200	\$13,700	3.7%	\$3,425	0.9%
PEER Services / Adult Treatment	\$412,500	\$40,000	9.7%	\$10,000	2.4%
PEER Services / Dimensions	\$71,300	\$60,400	84.7%	\$15,100	21.2%
PEER Services / Youth Early Intervention	\$65,700	\$22,000	33.5%	\$5,500	8.4%
SHORE / Lois Lloyd Center	\$1,285,731	\$24,600	1.9%	\$6,150	0.5%
SHORE / Residential Services	\$2,186,733	\$26,700	1.2%	\$6,675	0.3%
Thresholds / Transitions	\$692,500	\$10,000	1.4%	\$2,500	0.4%
Trilogy / Psychosocial Activities	\$17,000	\$7,300	42.9%	\$1,825	10.7%
Trilogy, et al / Collaborative Supported Housing Program	\$41,981	\$6,000	14.3%	\$1,500	3.6%
Y.O.U. / Youth and Family Services	\$1,360,600	\$90,400	6.6%	\$22,600	1.7%
Youth Job Center / Core Services	\$225,737	\$5,500	2.4%	\$1,375	0.6%
YWCA DV Program / Transitional Hsg & Cmmnty Based Srvc	\$187,500	\$5,000	2.7%	\$1,250	0.7%
TOTALS	\$12,615,862	\$859,000	6.8%	\$214,750	1.7%

(note 1)

Note 1. The Mental Health Board's proposed 2008-2009 allocation for Budget Element 2460 / Community Purchased Services of \$890,000 includes an additional \$41,000 above the actual recommended allocation of \$859,000 from the General Fund. This reflects the actual amount of the Mental Health Board's contract with Infant Welfare Society of Evanston that is reimbursed to the City by ETHS for their participation in a partnership to support the Teen Baby Nursery program. This was included in the City Budget this year pursuant to a directive from the Finance Director to reflect both the revenues and the expenditures for all grants received by the City in the 08-09 Budget. This is the first year that ETHS's revenues and the corresponding expenditures will be listed in the City's Budget Book. These changes are budget neutral.

The \$41,000 grant is not reflected in the MHB's funding recommendations.

City of Evanston					
General Fund					
Levy & Applied Fund Balance Analysis					
FY 2008-09					
	<u>Proposed</u>	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>
Levy Amount General	17,400,000	17,400,000	17,400,000	17,400,000	17,400,000
2007 Fund Balance Applied for Police & Fire Pension Funding	4,037,000	3,336,149	3,336,149	3,336,149	3,336,149
Additional Replacement Tax		500,000	500,000	500,000	500,000
Additional Fire Alarm Revenue		30,000	30,000	30,000	30,000
Additional Plan Review Revenue		37,000	37,000	37,000	37,000
2008 Additional Fund Balance Applied to Pensions			1,000,000	1,000,000	1,000,000
Additional Yard Waste Revenue			200,000	200,000	200,000
New Prepared Food & Beverage Tax - Dedicated to Pension Funding				500,000	
Additional RE Transfer Tax per Approved Referendum - Dedicated to Pension Funding					800,000
All Other Revenues	<u>73,125,100</u>	<u>73,125,100</u>	<u>73,125,100</u>	<u>73,125,100</u>	<u>73,125,100</u>
Total Revenues	<u>94,562,100</u>	<u>94,428,249</u>	<u>95,628,249</u>	<u>96,128,249</u>	<u>96,428,249</u>
Proposed Expenditures	90,525,100	90,525,100	90,525,100	90,525,100	90,525,100
2007 Fund Balance Applied for Police & Fire Pension Funding	4,037,000	3,336,149	3,336,149	3,336,149	3,336,149
Add Fire Plan Reviewer		91,500	91,500	91,500	91,500
2008 Additional GF to Pension Transfers		963,300	2,163,300	3,866,350	4,166,350
Eliminate Emergency Preparedness Mgr		(117,000)	(117,000)	(117,000)	(117,000)
Eliminate Heat Call Standby Program		(8,000)	(8,000)	(8,000)	(8,000)
Eliminate James Park Sled Hill Oversight Program		(12,800)	(12,800)	(12,800)	(12,800)
Additional Reduction in Health Insurance Costs		(300,000)	(300,000)	(300,000)	(300,000)
Reorganization of Parking Lot Maintenance		(50,000)	(50,000)	(50,000)	(50,000)
Eliminate Dutch Elm Disease Program				(338,000)	(338,000)
Eliminate Police Accreditation Manager				(65,000)	(65,000)
Elimination of Branch Libraries				(284,700)	(284,700)
Reduce Health Staff				(84,100)	(84,100)
Reduce Mental Health Board Funding by 25%				(214,750)	(214,750)
Reduction of Parks/Forestry & Recreation Staff				(216,500)	(216,500)
Total Expenditures	<u>94,562,100</u>	<u>94,428,249</u>	<u>95,628,249</u>	<u>96,128,249</u>	<u>96,428,249</u>
Net Revenues less Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service Fund					
Levy Amount	10,141,385	10,141,385	10,141,385	10,141,385	10,141,385
Fire Pension					
Levy Amount	5,679,500	5,246,015	4,706,015	3,939,642	3,804,642
Transfer from General Fund		433,485	973,485	1,739,858	1,874,858
Total Minimum Annual Required Contribution to Pension	5,679,500	5,679,500	5,679,500	5,679,500	5,679,500
Police Pension					
Levy Amount	6,897,400	6,367,585	5,707,585	4,770,907	4,605,907
Transfer from General Fund		529,815	1,189,815	2,126,493	2,291,493
Total Minimum Annual Required Contribution to Pension	6,897,400	6,897,400	6,897,400	6,897,400	6,897,400
Consolidated					
Levy Amount	40,118,285	39,154,985	37,954,985	36,251,934	35,951,934
Increase in Levy	15.15%	12.39%	8.94%	4.05%	3.19%
FY 2007-08 Levy	34,839,681				
* Note: Above information assumes all previously proposed increases will be approved by Council.					

City Council Balancing Worksheet 2008-09 Budget - Option 1

Action	Revenue	Expenditure	Strategic Plan Impact	FTE Impact	Outcome
Beginning Balance	\$ 94,562,100	\$ 94,562,100			
Fire Alarm Revenue Adjustment	\$ 30,000				
Personal Property Replacement Tax Revenue Adjustment	\$ 500,000				
Additional Plan Review Revenue	\$ 37,000				
Reduce 2007 applied fund balance - police	\$ (388,279)	\$ (388,279)			
Reduce 2007 applied fund balance - fire	\$ (312,572)	\$ (312,572)			
Add Fire Plan Reviewer		\$ 91,500	Goal 10	1.00	
2008 Additional GF to Pensions		\$ 963,300			
Eliminate Emergency Preparedness Mgr		\$ (117,000)		-1.00	
Eliminate Heat Call Standby Program		\$ (8,000)			
Eliminate James Park Sled Hill Oversight Program		\$ (12,800)			Must assign to exempt staff
Additional Reduction in Health Insurance Costs		\$ (300,000)			
Reorganization of Parking Lot Maintenance		\$ (50,000)			
Total Adjustments	\$ (133,851)	\$ (133,851)			
General Fund Subtotal	\$ 94,428,249	\$ 94,428,249			
Revenue Required to Balance or Expenditure Reductions Required	\$ -				
General Fund Total	\$ 94,428,249	\$ 94,428,249			
Property Tax Increase					
	2007/08 Approved	2008/09 Option 1	Original % Increase	Original % Decrease	Original % Increase
	\$ 16,976,262	\$ 17,400,000	2.50%	2.50%	2.50%
Proposed General Fund	\$ 4,174,271	\$ 5,246,015	25.67%	36.06%	36.06%
Fire Pension	\$ 4,636,539	\$ 6,367,585	37.33%	48.76%	48.76%
Police Pension	\$ 9,052,609	\$ 10,141,385	12.03%	12.03%	12.03%
Debt Service	\$ 34,839,681	\$ 39,154,985	12.39%	15.15%	15.15%
Total Levy	\$ 34,839,681	\$ 39,154,985	12.39%	15.15%	15.15%
Total Tax Bill Increase					
	Original	Proposal	Original	Proposal	Original
	\$ 8,000	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000
	12.39%	15.15%	% of City Tax Increase	12.39%	15.15%
	2.45%	3.00%	% Tax Bill Increase	2.45%	3.00%
	\$ 196.30	\$ 240.10	Annual \$ Increase on tax bill	\$ 245.37	\$ 300.12
	\$ 0.54	\$ 0.66	Per Day Cost	\$ 0.67	\$ 0.82
Note: This option assumes the following:					
*Blue Ribbon Panel reviews pension funding issue & provides recommendation w/in 90 days					
*Feasible only if Council decision is by August 1, 2008					
*Must still adopt a budget with an estimated prop tax levy by 2/29/08					
*If panel recommendation results in no change, either mid-year expenditure cuts or fund balance must be used to reduce levy					
*Final 2009 Tax Levy is not Adopted until Dec 2008					

City Council Balancing Worksheet 2008-09 Budget - Option 2

Action	Revenue	Expenditure	Strategic Plan Impact	FTE Impact	Outcome
Beginning Balance	\$ 94,562,100	\$ 94,562,100			
Fire Alarm Revenue Adjustment	\$ 30,000				
Personal Property Replacement Tax Revenue Adjustment	\$ 500,000				
Additional Plan Review Revenue	\$ 37,000				one time revenue, contrary to budget policy, loss of interest income, short term solution
2008 Additional Fund Balance Applied	\$ 1,000,000				
Additional Yard Waste Revenue	\$ 200,000				
Reduce 2007 applied fund balance - police	\$ (388,279)	\$ (388,279)			
Reduce 2007 applied fund balance - fire	\$ (312,572)	\$ (312,572)			
Add Fire Plan Reviewer		\$ 91,500	Goal 10	1.00	
2008 Additional GF to Pensions		\$ 2,163,300			
Eliminate Emergency Preparedness Mgr		\$ (117,000)		-1.00	
Eliminate Heat Call Standby Program		\$ (8,000)			
Eliminate James Park Sled Hill Oversight Program		\$ (12,800)			Must assign to exempt staff
Additional Reduction in Health Insurance Costs		\$ (300,000)			
Reorganization of Parking Lot Maintenance		\$ (50,000)			
Total Adjustments	\$ 1,066,149	\$ 1,066,149			
General Fund Subtotal	\$ 95,628,249	\$ 95,628,249			
Revenue Required to Balance or Expenditure Reductions Required	\$ -				
General Fund Total	\$ 95,628,249	\$ 95,628,249			
Property Tax Increase					
	2007/08 Approved	2008/09 Option 2	Original % Increase	Original	
	\$ 16,976,262	\$ 17,400,000	Decrease	Proposal	
Proposed General Fund	\$ 4,174,271	\$ 4,706,015	\$ 423,738	2.50%	2.50%
Fire Pension	\$ 4,636,539	\$ 5,707,585	\$ 531,744	12.74%	36.06%
Police Pension	\$ 9,052,609	\$ 10,141,385	\$ 1,071,046	23.10%	48.76%
Debt Service			\$ 1,088,776	12.03%	12.03%
Total Levy	\$ 34,639,681	\$ 37,954,985	\$ 3,115,304	8.94%	15.15%
Total Tax Bill Increase					
	Original	Proposal	Tax Bill	Original	Proposal
	\$ 8,000	\$ 8,000	\$ 8,000	\$ 10,000	\$ 10,000
	8.94%	15.15%	% of City Tax Increase	8.94%	15.15%
	1.77%	3.00%	% Tax Bill Increase	1.77%	3.00%
	\$ 141.71	\$ 240.10	Annual \$ Increase on tax bill	\$ 177.14	\$ 300.12
	\$ 0.39	\$ 0.66	Per Day Cost	\$ 0.49	\$ 0.82

City Council Balancing Worksheet 2008-09 Budget - Option 3

Action	Revenue	Expenditure	Strategic Plan Impact	FTE Impact	Outcome
Beginning Balance	\$ 94,562,100	\$ 94,562,100			
Fire Alarm Revenue Adjustment	\$ 30,000				
Personal Property Replacement Tax Revenue Adjustment	\$ 500,000				
Additional Plan Review Revenue	\$ 37,000				
2008 Additional Fund Balance Applied	\$ 1,000,000				
Additional Yard Waste Revenue	\$ 200,000				
New Prepared Food & Beverage Tax - Dedicated to Pension Funding	\$ 500,000				
Reduce 2007 applied fund balance - police	\$ (388,279)	\$ (388,279)			
Reduce 2007 applied fund balance - fire	\$ (312,572)	\$ (312,572)			
Add Fire Plan Reviewer	\$ 91,500	\$ 91,500	Goal 10	1.00	one time revenue, contrary to budget policy, loss of interest income, short term solution
2008 Additional GF to Pensions	\$ 3,866,350	\$ 3,866,350			
Eliminate Emergency Preparedness Mgr	\$ (117,000)	\$ (117,000)		-1.00	
Eliminate Heat Call Standby Program	\$ (8,000)	\$ (8,000)			
Eliminate James Park Sled Hill Oversight Program	\$ (12,800)	\$ (12,800)			Must assign to exempt staff
Additional Reduction in Health Insurance Costs	\$ (300,000)	\$ (300,000)			
Reorganization of Parking Lot Maintenance	\$ (50,000)	\$ (50,000)			
Eliminate Dutch Elm Disease Program	\$ (338,000)	\$ (338,000)	Goal 5		
Eliminate Police Accreditation Manager	\$ (65,000)	\$ (65,000)		-1.00	
Elimination of Branch Libraries		\$ (284,700)			\$70,000 will be allocated to Main Library to address costs related to increase in patrons
Reduce Health Staff		\$ (84,100)	Goal 13	-5.30	
Reduce Mental Health Board Funding by 25%		\$ (214,750)	Goal 13	-1.00	
Reduction of Parks/Forestry & Recreation Staff		\$ (216,500)	Goal 13	-3.00	Up to 3.0 FTEs
Total Adjustments	\$ 1,566,149	\$ 1,566,149			
General Fund Subtotal	\$ 96,128,249	\$ 96,128,249			
Revenue Required to Balance or Expenditure Reductions Required	\$ -				
General Fund Total	\$ 96,128,249	\$ 96,128,249			
Property Tax Increase					
2007/08 Approved	2008/09 Option 3	\$ Increase/Decrease	Original % Increase/Decrease	Original Proposal	
\$ 16,976,262	\$ 17,400,000	\$ 423,738	2.50%	2.50%	
\$ 4,174,271	\$ 3,939,642	\$ (234,629)	-5.62%	36.06%	
\$ 4,636,539	\$ 4,770,907	\$ 134,368	2.90%	48.76%	
\$ 9,052,609	\$ 10,141,385	\$ 1,088,776	12.03%	12.03%	
\$ 34,839,681	\$ 36,251,934	\$ 1,412,253	4.05%	15.15%	
Total Levy					
Total Tax Bill Increase					
Original Proposal					
\$ 8,000	\$ 8,000	Tax Bill		\$ 10,000	\$ 10,000
4.05%	15.15%	% of City Tax Increase		4.05%	15.15%
0.80%	3.00%	% Tax Bill Increase		0.80%	3.00%
\$ 64.24	\$ 240.10	Annual \$ Increase on tax bill		\$ 80.30	\$ 300.12
\$ 0.18	\$ 0.66	Per Day Cost		\$ 0.22	\$ 0.82

City Council Balancing Worksheet 2008-09 Budget - Option 4

Action	Revenue	Expenditure	Strategic Plan Impact	FTE Impact	Outcome
Beginning Balance	\$ 94,562,100	\$ 94,562,100			
Fire Alarm Revenue Adjustment	\$ 30,000				
Personal Property Replacement Tax Revenue Adjustment	\$ 500,000				
Additional Plan Review Revenue	\$ 37,000				one time revenue, contrary to budget policy, loss of interest income, short term solution
2008 Additional Fund Balance Applied	\$ 1,000,000				
Additional Yard Waste Revenue	\$ 200,000				
Additional RE Transfer Tax per Approved Referendum - Dedicated to Pension Funding	\$ 800,000				
Reduce 2007 applied fund balance - police	\$ (388,279)	\$ (388,279)			
Reduce 2007 applied fund balance - fire	\$ (312,572)	\$ (312,572)			
Add Fire Plan Reviewer	\$ 91,500	\$ 91,500	Goal 10	1.00	
2008 Additional GF to Pensions	\$ 4,166,350	\$ 4,166,350			
Eliminate Emergency Preparedness Mgr	\$ (117,000)	\$ (117,000)		-1.00	
Eliminate Heat Call Standby Program	\$ (8,000)	\$ (8,000)			
Eliminate James Park Sled Hill Oversight Program	\$ (12,800)	\$ (12,800)			Must assign to exempt staff
Additional Reduction in Health Insurance Costs	\$ (300,000)	\$ (300,000)			
Reorganization of Parking Lot Maintenance	\$ (50,000)	\$ (50,000)			
Eliminate Dutch Elm Disease Program	\$ (338,000)	\$ (338,000)	Goal 5		
Eliminate Police Accreditation Manager	\$ (65,000)	\$ (65,000)		-1.00	
Elimination of Branch Libraries					\$70,000 will be allocated to Main Library to address costs related to increase in patrons
Reduce Health Staff	\$ (84,100)	\$ (84,100)	Goal 13	-5.30	
Reduce Mental Health Board Funding by 25%	\$ (214,750)	\$ (214,750)	Goal 13	-1.00	
Reduction of Parks/Forestry & Recreation Staff	\$ (216,500)	\$ (216,500)		-3.00	Up to 3.0 FTEs
Total Adjustments	\$ 1,866,149	\$ 1,866,149			
General Fund Subtotal	\$ 96,428,249	\$ 96,428,249			
Revenue Required to Balance or Expenditure Reductions Required	\$ -				
General Fund Total	\$ 96,428,249	\$ 96,428,249			
Property Tax Increase					
2007/08 Approved	\$ 16,976,262		Original % Increase		
2008/09 Option 4	\$ 17,400,000	\$ 423,738	Decrease	Original Proposal	
Proposed General Fund	\$ 4,174,271	\$ 3,804,642	\$ (369,629)	2.50%	2.50%
Fire Pension	\$ 4,636,539	\$ 4,605,907	\$ (30,632)	-8.85%	36.06%
Police Pension	\$ 9,052,609	\$ 10,141,385	\$ 1,088,776	-0.66%	48.76%
Debt Service				12.03%	12.03%
Total Levy	\$ 34,839,681	\$ 35,951,934	\$ 1,112,253	3.19%	15.15%
Total Tax Bill Increase					
Original	\$ 8,000	\$ 8,000	Tax Bill	\$ 10,000	\$ 10,000
Proposed					
3.19%	15.15%	% of City Tax Increase		3.19%	15.15%
0.63%	3.00%	% Tax Bill Increase		0.63%	3.00%
\$ 50.59	\$ 240.10	Annual \$ Increase on tax bill	\$ 63.24	\$ 300.12	\$ 300.12
\$ 0.14	\$ 0.66	Per Day Cost	\$ 0.17	\$ 0.82	\$ 0.82